

National Diesel Campaign Funding
For
Louisiana Clean Diesel Grant Program

2011 SOLICITATION



State of Louisiana
Department of Environmental Quality

LOUISIANA CLEAN DIESEL GRANT PROGRAM 2011 SOLICITATION

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1. DATES

In order to be considered for funding, all electronic copies of proposal materials must be received by LDEQ by **5:00pm on December 1, 2011**. Proposals received after the closing date and time will not be considered. Any and all questions regarding this Solicitation must be submitted in writing to the LDEQ Office of Environmental Services/Air Permits Division no later than **October 31, 2011**. Do not contact other LDEQ program personnel with questions regarding this Solicitation. Questions and answers will be posted under the Louisiana Clean Diesel Grant Program tab at www.deq.louisiana.gov. It is the responsibility of potential proposers to check the LDEQ public website to verify that they have the most recent updates prior to submitting their applications (i.e. questions and answers, addendums, additional information, forms, etc.). Proposals that do not use the most recent updates **will not** be considered. Awards will be announced by January 1, 2012. LDEQ expects work to begin by the recipients upon their receipt of a formal notification of award, and expects all work including any reports to be completed by recipients by **August 31, 2012**.

2. OBJECTIVE

This Solicitation is for proposals to be awarded on a competitive basis for cooperative agreements to reduce emissions from existing diesel engines through a variety of strategies, including but not limited to, diesel emissions reductions solutions such as:

- add-on emission control retrofit technologies,
- idle reduction technologies,
- cleaner fuel use,
- engine repowers,
- engine upgrades, and/or
- vehicle or equipment replacement.

3. BACKGROUND

Diesel emissions are from a variety of on-road and non-road vehicles, such as those used for freight, ports, transit, construction and agriculture. Reducing emissions from diesel engines is one of the most important air quality challenges facing the country. Even with more stringent heavy-duty highway and non-road engine standards taking effect over the next decade, millions of diesel engines already in use will continue to emit large amounts of NO_x, PM and air toxics, which contribute to serious public health problems. These problems are linked to thousands of premature deaths, hundreds of thousands of asthma attacks, millions of lost work days, and numerous other negative health impacts every year.

4. FUNDING

The National Diesel Campaign authorized by Diesel Emissions Reduction Act of 2005 provides funding for the Louisiana Clean Diesel Grant Program. The funding allocations for 2010 and 2011 will be awarded through this Solicitation. The total amount of available funding is approximately \$426,000.

The LDEQ will be awarding funding assistance of up to \$395,000. The LDEQ is hopeful that applicants will step forward to provide leveraged funds for their proposed projects. If LDEQ accepts an offer for a voluntary cost share/match/participation, applicants must meet their share/match/participation commitment as a condition of receiving LDEQ funding. The applicant should also provide certification that the project would not occur without this funding assistance.

An applicant must demonstrate that it selected the contractor(s) competitively or that a proper noncompetitive sole-source award will be made to the contractor(s), that efforts were made to provide small and disadvantaged businesses with opportunities to compete and that some form of cost or price analysis was conducted. LDEQ may not accept sole source justification for contracts for services or products that are otherwise readily available in the commercial marketplace. Applicants are required to identify contractors or consultants in their proposal. However, this does not relieve the applicant of its obligations to comply with competitive

procurement requirements, nor does it guarantee that costs incurred for such contractor/consultant will be eligible under the award/cooperative agreement.

The following outline represents maximum percentages of what LDEQ will fund based on the types of projects an awarded applicant chooses. LDEQ retains the right to partially fund proposals.

- a. **Verified Exhaust Controls:** LDEQ will fund up to 100% of the cost of eligible exhaust controls.
- b. **Engine Upgrades:** LDEQ will fund up to 100% of the cost of eligible engine upgrades.
- c. **Verified/Certified Cleaner Fuel Use:** LDEQ will fund the cost differential between the eligible cleaner fuels and conventional diesel fuels.
- d. **Verified Idle Reduction Technologies:** LDEQ will fund up to 50% or 100% of the cost of an eligible, verified idle reduction technology, depending on the combination of technologies chosen:
 - i. LDEQ will fund up to 50% of the cost an eligible, verified idle reduction technology.
 - ii. LDEQ will fund up to 100% of the cost of an eligible, verified idle reduction technology, if that technology is combined on the same vehicle with a new eligible verified exhaust control.
- e. **Certified Engine Repower:** LDEQ will fund up to 75% of the cost (labor and equipment) of an eligible engine repower.
- f. **Certified Vehicle/Equipment Replacement:** LDEQ will fund up to 25% of the cost of an eligible new vehicle or piece of equipment (except for school buses; see below).
 - i. School Bus Replacement:
 1. For replacement buses that meet EPA's 2010 emissions standards for heavy-duty on-highway vehicles, LDEQ will fund up to 50% of the cost of an eligible replacement school bus.
 2. For replacement buses that meet EPA's 2007 emissions standards for heavy-duty on-highway vehicles, LDEQ will fund up to 25% of the cost of an eligible replacement school bus.

The following outline represents costs for which funding assistance may be provided, subject to approval by LDEQ.

- Invoice cost of the retrofit kit, add-on devices, new engine and/or new equipment including sales tax and delivery charges;
- Installation costs;
- Associated supplies directly related to the installation of the devices or equipment;
- Reengineering costs, if the vehicle or equipment must be modified for the retrofit, add-on devices and/or new engine to be installed and used;
- Other costs directly related to the project.

NOTE: The scrapped value of the equipment and/or engine is to be deducted from the total project cost if the equipment and/or engine will be replaced. Certification of disposal or upgrade for any replaced engine will be required with the final reimbursement request. Copies of all project related invoices and labor costs will be required to receive funding assistance and/or reimbursement. Also, you must provide a final report certifying that the project has been completed.

5. ELIGIBILITY

Under this solicitation, only the following entities are eligible to apply for assistance, in accordance with Section 791(3) of the Energy Policy Act of 2005:

- a. A regional, State, local or tribal agency or port authority with jurisdiction over transportation or air quality; and
- b. A nonprofit organization or institution that:
 - i. represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or
 - ii. has, as its principal purpose, the promotion of transportation or air quality.

School districts, municipalities, metropolitan planning organizations (MPOs), cities and parishes are all eligible entities under this assistance agreement program to the extent that they fall within the definition above.

In addition to the applicant eligibility criteria above, proposals must also meet the following threshold criteria. Failure to meet any of the following criteria in the proposal submission will result in disqualification of the proposal for funding consideration. Ineligible applicants will be notified within 30 calendar days of the finding that the applicant was not eligible for award consideration based on the eligibility criteria.

- c. Projects must benefit one or more of the Parishes and Tribes located in the Louisiana geographical area - including Tribal lands belonging to the federally recognized tribes in Louisiana.
- d. Proposals must support Goal 1 of EPA's Strategic Plan by reducing diesel emissions.
- e. Proposals must substantially comply with the Proposal Content Requirements set forth in Section 8 of this announcement or else they will be rejected.
- f. In addition, proposals must be received by LDEQ as specified in Section 7 of this announcement. Applicants are responsible for ensuring that their proposal reaches the designated person/office specified in Section 10 Contact Information of the announcement by the submission deadline. Proposals received after the submission deadline will be considered late and returned to the sender without further consideration.

- g. Proposals in which the applicant is requesting assistance funds in excess of \$395,000 or less than \$10,000 will not be reviewed.
- h. Repower and Replacement Proposals are eligible for funding on the condition that the following criteria are satisfied:
 - The vehicle, engine, or equipment being replaced will be scrapped, or the replaced engine will be returned to the original engine manufacturer for remanufacturing to a cleaner standard;
 - The replacement vehicle, engine, or equipment will perform the same function as the vehicle, engine, or equipment that is being replaced (e.g., an excavator used to dig pipelines would be replaced by an excavator that continues to dig pipelines); and
 - The replacement vehicle, engine, or equipment will be of the same type and similar gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced (e.g., a 300 horsepower bulldozer is replaced by a bulldozer of similar horsepower).

6. SCOPE OF WORK

The Louisiana Clean Diesel Program addresses pollution from heavy duty diesel vehicles and equipment that are currently used for either on-road or non-road applications. Eligible vehicles, engines and equipment may include but are not limited to: buses; medium-duty or heavy-duty trucks; marine engines; locomotives; and non-road engines or vehicles used in: i) construction; ii) handling or cargo (including at a port or airport); iii) agriculture; iv) mining; or v) energy production. Projects may include, but are not limited to, a variety of diesel emissions reduction solutions as described more fully below such as: add-on emission control retrofit technologies; idle reduction technologies; engine repowers; engine upgrades; and/or vehicle or equipment replacement. All of these options are further described below. **Equipment that is used for testing emissions and/or fueling infrastructure costs is not eligible for funding.**

In addition to the information described in the Section 6.1 Diesel Emissions Reduction Solution Proposal Areas, all proposed projects should describe how they address the following programmatic priorities, as appropriate:

- a. Maximize public health benefits;
- b. Create and sustain jobs in Louisiana
- c. Are the most cost-effective;
- d. Are in areas with high population density, that are poor air quality areas (including nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas; or areas with toxic air pollutant concerns);
- e. Are in areas that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers or that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;
- f. Include a certified engine configuration or verified technology that has a long expected useful life;

- g. Maximize the useful life of any certified engine configuration or verified technology used or funded by the eligible entity;
- h. Conserve diesel fuel;
- i. Utilize ultra low sulfur diesel fuel (15 parts per million of sulfur content) ahead of EPA's mandate (for non-road projects).

NOTE: New emission standards in the highway sector took affect in 2007 and will affect future model year highway heavy-duty vehicles and engines. For non-road engines, new EPA standards were phased in 2008. Emission reductions from retrofits of post-2007 and post-2008 vehicles, engines and equipment will be considered, if the technologies, devices or systems proposed in the proposal package will achieve emissions reductions beyond that required by EPA regulations at the time of engine certification.

6.1 Eligible Diesel Emissions Reduction Solution Proposal Areas

Eligible Diesel Emissions Reduction Solutions: Projects must include one or more of the following diesel emissions reduction solutions:

- a. Verified Retrofit Technologies: A "retrofit" project is defined broadly to include any technology, device, fuel or system that when applied to an existing diesel engine achieves emission reductions beyond what is currently required by EPA regulations at the time of the engine's certification. A list of EPA verified technologies is available at <http://epa.gov/cleandiesel/verification/verif-list.htm>. A list of CARB verified technologies is available at <http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm>.

Note: technologies on the "Previously Verified" lists are not eligible for funding.

- i. *Exhaust Controls*: Exhaust Controls include pollution control devices installed in the exhaust system (such as oxidation catalysts and particulate matter filters), or systems that include crankcase emission control (like a closed crankcase filtration system). This funding can cover up to 100% of the cost (labor and equipment) for an exhaust control that is verified by EPA or the California Air Resources Board (CARB). A list of EPA verified technologies is available at <http://epa.gov/cleandiesel/verification/verif-list.htm>. A list of CARB verified technologies is available at <http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm>.
- ii. *Engine Upgrades*: An engine upgrade is defined as an engine that is rebuilt or remanufactured to meet higher federal emission standards. Some engines are able to be upgraded to reduce their emissions by applying manufacturer recommended upgrades (or kits) to certified or verified configurations. This funding can cover up to 100% of the cost (labor and equipment) for an engine upgrade with a manufacturer's kit listed in CARB or EPA's verified lists, or engine upgrade to an EPA certified configuration. Note: this funding cannot be applied to the entire cost of an engine rebuild, but only the emissions-

reducing upgrade kit and associated labor costs for installation. A list of EPA verified technologies is available at <http://epa.gov/cleandiesel/verification/verif-list.htm>. A list of CARB verified technologies is available at <http://www.arb.ca.gov/diesel/verde/vt/cvt.htm>.

- b. Verified Idle Reduction Technologies: An idle reduction project is generally defined as the installation of a technology or device that:
- (1) is installed in one or more of the following vehicle(s) or equipment: a bus, medium-duty or heavy-duty truck, marine engine, locomotive, non-road engine or vehicle used in construction, handling of freight (including at a port or airport), agriculture, mining, or energy production, or is installed in the ground;
 - (2) reduces unnecessary idling of the main drive engine of such vehicles or equipment; and/or
 - (3) is designed to provide services (such as heat, air conditioning, and/or electricity) to vehicles and equipment that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary. The reduction in idling must also lower emissions.

EPA has verified a number of categories of idle reduction technologies:

- (1) auxiliary power units and generator sets,
- (2) battery air conditioning systems,
- (3) thermal storage systems,
- (4) electrified parking spaces (truck stop electrification),
- (5) fuel operated heaters,
- (6) shore connection systems and alternative maritime power,
- (7) shore connection systems for locomotives, and
- (8) automatic shutdown/start-up system.

EPA is particularly interested in projects that combine idle reduction technologies with verified retrofit technologies which will further reduce emissions, e.g., through the addition of exhaust controls such as a diesel particulate filter, diesel oxidation catalyst or crankcase emission control. This funding can cover 50% or 100% of the cost (labor and equipment) of an eligible, verified idle reduction technology, depending on the combination of technologies chosen for an idle reduction technology. A list of EPA verified idle reduction technologies is available at <http://www.epa.gov/smartway/technology/idling.htm>

- c. Certified Engine Repowers: Repower refers to the removal of an existing engine and its replacement with a newer or cleaner engine that is certified to a more stringent set of engine emissions standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with a cleaner fuel and/or the replacement of a non-road engine with a highway engine. In order for a repower to be eligible, the repowered vehicle, engine or equipment must continue to perform the same function as before the repower. LDEQ is particularly interested in projects that combine engine repower with verified technologies which will further reduce emissions, e.g., through the addition exhaust controls such as a diesel particulate filter, diesel oxidation catalyst or crankcase emission control. This funding can cover

up to 75% of the cost of an engine repower, which includes labor and equipment. A list of EPA Certified Engines is found at <http://epa.gov/otaq/certdata.htm>

- i. Repower Criteria: Repower projects are eligible for funding on the condition that the following criteria are satisfied:
 1. The engine being replaced will be scrapped or rendered permanently disabled or returned to the original engine manufacturer for remanufacturing to a certified cleaner emission standard. Drilling a hole in the engine block and manifold while retaining possession of the engine is an acceptable scrapping method. Other methods may be considered and will require prior LDEQ approval. If scrapped or salvaged engines are to be sold, program income requirements apply.
 2. Evidence of appropriate disposal, including the engine serial number, is required in a final assistance agreement report submitted to LDEQ.
- d. Certified Vehicle and Equipment Replacements: Non-road and highway diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and meet a more stringent set of engine emissions standards. Replacement projects can include the replacement of diesel vehicles/equipment with newer, cleaner diesel or hybrid or alternative fuel vehicles/equipment. The replacement vehicle/equipment must be of the same type and similar gross vehicle weight rating or horsepower as the vehicle/equipment being replaced (e.g., a 300 horsepower bulldozer is replaced by a bulldozer of similar horsepower). The replacement vehicle/equipment must perform the same function as the vehicle/equipment that is being replaced (e.g., an excavator used to dig pipelines would be replaced by an excavator that continues to dig pipelines). These projects can also include the replacement of non-road vehicles/equipment with highway models if the highway models are capable of performing the same functions as the non-road models. LDEQ encourages the replacement of older vehicles/equipment containing engines that were manufactured prior to the implementation of emissions standards. This funding covers the incremental costs of new vehicles and equipment. Incremental costs are defined as up to 25% of the cost of the new vehicle or equipment (except for school buses—see provision below).
 - i. Replacements for School Buses: Funding levels will cover up to 25% or 50% of the cost of a replacement school bus, depending on the engine emission certification levels of the replacement bus.
 1. Twenty-five percent level: This funding will cover up to 25% for school buses with engines manufactured in model years 2007, 2008 or 2009 that are particulate filter equipped in the case of diesel engines or catalyst equipped in the case of CNG engines and satisfy regulatory requirements for school bus engines manufactured in that model year and do not exceed the limits of particulate matter (PM) at 0.01, nitrogen oxides (NOx) at 2.0, and non-methane hydrocarbons (NMHC) at 0.40 (expressed in grams per brake horsepower hour, g/BHP-hr).

2. Fifty percent Level: This funding will cover up to 50% of the cost of a replacement school bus with engines manufactured in model year 2007, 2008, or 2009 that satisfy 2010 model year regulatory limits for emissions of PM, NO_x and NMHC. The model year 2010 regulatory requirements are: PM at 0.01 grams per brake horsepower hour, NO_x at 0.20 and NMHC at 0.14.
- ii. Replacement Criteria: Replacement projects are eligible for funding on the condition that the following criteria are satisfied:
 1. The vehicle/equipment being replaced will be scrapped or rendered permanently disabled or returned to the original engine manufacturer for remanufacturing to a certified cleaner emission standard. Drilling a hole in the engine block and manifold and disabling the chassis while retaining possession of the vehicle/equipment is an acceptable scrapping method. Other methods may be considered and will require prior LDEQ approval. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g. plow blades, shovels, seats, tires, etc.) If scrapped or salvaged vehicles/parts are to be sold, program income requirements apply.
 2. Evidence of appropriate disposal, including engine serial number and vehicle identification number (VIN), is required in a final assistance agreement report submitted to LDEQ.
- e. Repower and Replacement Restrictions: The following are not covered under Repowers and Replacements:
 - i. Emission reductions that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. Normal attrition is generally defined as a replacement or repower that is scheduled to take place between now and the end of the project period (August 31, 2012). Normal attrition is typically defined by the vehicle or fleet owner's budget plan, operating plan, standard procedures, or retirement schedule. For example, if a school bus fleet typically retires vehicles after 7 years, a bus that is currently in its 6th or 7th year of service is not eligible for replacement. A bus that is currently in its 5th year of service and has 2 years of useful life remaining is eligible for replacement.
 - ii. The purchase of new vehicles or equipment to expand a fleet is not covered by this program.

NOTE: Restriction for Mandated Measures: Pursuant to Section 792(d)(2) of the Energy Policy Act of 2005, no funds awarded under this Contract shall be used to fund the costs of emissions reductions that are mandated under Federal, State or local law. The restriction applies when the mandate takes effect (the effective date) for any affected vehicles, engines or equipment. If the project takes place in an affected area, or includes affected vehicles, engines or equipment, the Applicant must clearly demonstrate that emission reductions funded with DERA funds:

- will be implemented prior to the effective date of the mandate; and/or
- are in excess of (above and beyond) those required by the applicable mandate.

7. PROJECT SCHEDULE

In order to be considered for funding, all electronic copies of proposal materials must be received by LDEQ by **5:00pm on December 1, 2011**. Proposals received after the closing date and time will not be considered.

Following evaluation of proposals, all applicants will be notified regarding their proposal status. The notification to each successful applicant will advise the applicant that its proposal has been successfully evaluated and recommended for award. The notification will be sent to the original signer of the proposal. This notification, which advises that the applicant's proposal has been recommended for award, is not an authorization to begin performance. The award recipient will then need to submit a written acceptance letter. After LDEQ receives the written acceptance letter, LDEQ will prepare a contract to be submitted to the applicant for signatures. **Work is not to begin until a fully executed contract has been received by the applicant.**

Awards will be announced by **January 1, 2012**.

8. PROPOSAL CONTENT REQUIREMENTS

Applicants must follow instructions carefully and submit all documents required by the closing date and time. Incomplete proposals will not be considered for funding. Remember to include your signature on the cover page. Additionally, when writing your proposal, please refer to the "Proposal Evaluation Criteria" section since that is how the proposals will be scored. There is no specific page minimum or maximum; however, the following information is required and proposals must be typed. Also, please note that your equipment information is to be completed in the provided Excel file(s).

1. Cover Page

- Organization
 - Name, mailing address, physical address
 - Parish
- Project Manager
 - Name, signature, title, phone number, fax number, email address
- Funding amount requested from LDEQ
- Project Type (i.e. retrofit, idle reduction, engine repower, etc.)

2. Narrative Discussion

- Description of Applicant's Organization
 - Describe your organization's size and type of work usually performed
 - Describe other environmentally friendly measures your organization already practices
- Air Quality in the Fleet/Equipment Use Area

- i. Describe any special air quality concerns
 - ii. Describe the area's diesel emissions (i.e. truck stops, rail yards, distribution centers, etc.)
 - iii. Approximate population density
 - c. Description of Fleet/Equipment Use
 - i. Describe the fleet/equipment and quantity of each, manufacturer, model type, and model year.
 - ii. Describe how, when, and where it is used
 - d. Describe how this project will conserve diesel fuel and reduce diesel emissions including:
 - i. All EPA/CARB certified engine configurations or verified technologies to be used or funded by the eligible entity;
 - ii. The means by which the project will achieve a significant reduction in diesel emissions;
 - e. Describe the age and expected lifetime of the fleet/equipment diesel emissions controls used or funded by the eligible entity;
 - f. An evaluation of the quantifiable and unquantifiable benefits of the emissions reductions of the proposed project (applicants can use the Diesel Emissions Quantifier tool found at the National Clean Diesel Campaign website at <http://cfpub.epa.gov/quantifier/index.cfm?action=user.account&fw1pk=2>)
 - g. Cost Effectiveness
 - i. Include how the technology you chose is the most appropriate for your fleet/equipment and an estimate of proposed project costs and the cost-effectiveness of emission reductions (dollar/ton reduction);
 - ii. A description of the diesel fuel available in the areas to be served by the eligible entity, including the sulfur content of the fuel;
 - h. Describe the provisions for the monitoring and verification of the project;
 - i. Provide information on all project partners and their various roles, and any leveraged resources;
 - j. Provide information on the sustainability of the project beyond the assistance agreement period; and
 - k. Provide information on the number of engines/vehicles improved by the project.
- 3. Budget** – please include the following estimates, for more information, see the Funding section
- a. Invoice cost of the retrofit kit, add-on devices, new engine and/or new equipment including sales tax and delivery charges;
 - b. Associated supplies directly related to the installation of the devices or equipment;
 - c. Installation costs;
 - d. Costs to remove and dispose of the old engine/old equipment;
 - e. Reengineering costs, if the vehicle or equipment must be modified for the retrofit, add-on devices and/or new engine to be installed and used;
 - f. Other costs directly related to the project;
 - g. Scrap value of equipment and/or engine if being replaced;
 - h. Total project cost (Total project cost equals “costs” minus “scrap value”);

- i. Matching funds or other financial incentives/assistance;
- j. Funding requested.

4. Equipment Information – use provided Excel file(s) described in Section 11.

5. Programmatic Priorities. Please address how the project meets the programmatic priorities listed below:

- a. Maximize public health benefits;
- b. Create and Sustain Louisiana jobs;
- c. Are the most cost-effective;
- d. Are in areas with high population density, that are poor air quality areas (including nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas; or areas with toxic air pollutant concerns);
- e. Are in areas that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers or that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;
- f. Include a certified engine configuration or verified technology that has a long expected useful life;
- g. Maximize the useful life of any certified engine configuration or verified technology used or funded by the eligible entity;
- h. Conserve diesel fuel;
- i. Utilize ultra low sulfur diesel fuel (15 parts per million of sulfur content) ahead of EPA's mandate (for non-road projects).

9. PROPOSAL EVALUATION CRITERIA

Each eligible proposal will be evaluated according to the criteria below using the corresponding point values listed. Please make sure your funding assistance proposal addresses each criterion. Each proposal will be rated under a points system, with a total of 100 points possible.

Public Health Benefits: 15 pts.

Under this criterion, applicants will be evaluated on the degree to which the project will:

- Affect a large population density;
- Reduce environmental risks to the public and sensitive populations; and
- Reduce environmental risks to economically-disadvantaged and other populations with disproportionately high and adverse human health or environmental impacts.

Create and Sustain Louisiana Jobs: 15 pts.

- Preserve and/or create jobs and promote economic recovery;
- Assist those impacted by the current economic conditions;

- Maximize job creation and economic benefit;
- Invest in transportation, environmental protection and other activities that will provide long-term economic benefits;
- Commences as quickly as possible consistent with prudent management

Air Quality: 15 pts.

Under this criterion, applicants will be evaluated on the air quality where the equipment will be used. Priority will be given to projects in the following areas: non-attainment or near non-attainment for ozone standard; Federal Class I areas; or areas with toxic air pollutant concerns. Note any special local conditions such as project location, nearby power plants, interstates, large number of truck stops, etc.

Coherent Plan for Project: 10 pts.

Under this criterion, applicants will be evaluated on the degree to which the project plan shows a logical path for successful completion, including a budget, reasonable timeline, technology applicability and equipment information. Discuss how you plan to implement the proposed project. Describe the tasks and activities that will be conducted to accomplish the objective of the project.

Cost Effective: 15 pts.

Under this criterion, applicants will be evaluated on the degree to which the project is cost effective and how the useful life of the engine or technology will be maximized (cost/ton diesel emission reduction).

Detail and Completeness: 10 pts.

Proposals must contain all the required information, signatures, and attachments. The budget figures and work plan, as well as all other documents, should be consistent. The work plan should explain the applicant's planned activities and the budget should provide detailed cost estimates.

Environmentally Aware: 10 pts.

Under this criterion, applicants will be evaluated on how this project will conserve diesel fuel and/or reduce diesel emissions and the implementation of other environmentally friendly measures your organization already practices.

Funding Contribution: 5 pts.

Though a match is not required to receive the award, additional funding contributions from applicants will be given priority consideration. If applicable, please describe the amount and source of any funding contribution in the budget. Please include any in-kind contributions.

Programmatic Capability: 5 pts.

Under this criterion, applicants will be evaluated based on their ability to successfully complete and manage the proposed project while taking into account how their experience, knowledge, qualifications and organizational resources will allow them to successfully achieve the goals of the proposed project including a plan for timely and successfully achieving the objectives of the proposed project. If applicable, applicants may choose to include any past performance in successfully completing and managing projects similar in size, scope and relevance to the proposed project performed.

10. CONTACT INFORMATION

Please submit your questions and project proposals to Gilberto Cuadra at (225) 219-3418 or to FAX (225) 219-3240 or by email to gilberto.cuadra@la.gov

Gilberto Cuadra, Environmental Scientist
LDEQ – Office of Environmental Services/Air Permits Division
P.O. Box 4313
Baton Rouge, LA 70821

Please direct your questions to Gilberto Cuadra at (225) 219-3418 or Gilberto.cuadra@la.gov

Physical Address:
602 N. Fifth Street
Baton Rouge, LA 70802

11. FLEET/EQUIPMENT DESCRIPTION SPREADSHEET

Please complete and submit with your proposal the Applicant Fleet Description (XLS) file found in the EPA's National Clean Diesel Campaign - Grants & Funding - National Funding Assistance Program at <http://www.epa.gov/cleandiesel/documents/fy11-afd-sample.xls>

SAMPLE CONTRACT

(Language is subject to change pursuant to updated legislation and policies)

COOPERATIVE ENDEAVOR

THIS COOPERATIVE ENDEAVOR, hereinafter referred to as the "Contract", made and entered into this _____ day of _____, 2011, by and between the Department of Environmental Quality of the State of Louisiana, hereinafter referred to as the "Department", and **Contactor Name**, **Contactor Address**, **Tax ID NO.** _____, hereinafter referred to as the "Contractor".

WHEREAS, Article VII, Section 14(c) of the Constitution of the State of Louisiana provides that "for a public purpose, the state and its political subdivisions . . . may engage in cooperative endeavors with each other . . .;" and

WHEREAS, the Department desires to cooperate with the Contractor in the implementation of the project as herein provided;

WHEREAS, the public purpose is described in Attachment 1, Scope of Services, attached hereto and made a part hereof;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. PROJECT IDENTITY

This contract shall be identified as "**Title**" with the Contract Financial Management System (CFMS) Number assigned as set forth above. All invoices and other correspondence submitted to the Department in connection with this contract shall be identified by this CFMS Number.

2. CONTRACT TERM

This contract shall be effective as of *Begin date* and will terminate *end date*.

3. SCOPE OF SERVICES

The Contractor shall provide the necessary personnel, materials, services and facilities to perform the work as set forth in Attachment 1, Scope of Services attached hereto and made a part hereof.

4. NOTICE TO PROCEED

The Contractor shall proceed with the work only after receipt of an executed contract which has been approved by the **Division of Administration, Office of Contractual Review**.

5. PAYMENT TERMS

The total project cost shall be **\$0.00** of which the Contractor agrees to provide **\$0.00** and the Department shall pay to the Contractor the maximum amount of **\$0.00** for services rendered under this contract. Travel and other allowable costs shall constitute part of the maximum payable under the terms of this contract.

The amount which the Department agrees to pay and the Contractor agrees to accept for satisfactory completion of the services to be rendered pursuant to this contract shall not exceed a total sum of \$0.00. Travel and other allowable costs shall constitute part of the maximum payable under the terms of this contract.

The Contractor shall not perform out-of-scope work not authorized by written amendment prior to the expiration date of the contract. Any out-of-scope work performed by the Contractor without written authorization from the Department in the form of an approved contract amendment shall not entitle the contractor to any compensation for any corresponding effort. Verbal directives from any employee of the Department that would result in the performance of out-of-scope work shall carry no authority.

Any increases to the maximum amount shall be made by written amendment, approved by the Division of Administration, Office of Contractual Review. Any additional or out-of-scope work performed by the Contractor without written authorization from the Department in the form of an approved amendment shall not entitle the Contractor to payment or an increase in the maximum contract price.

This contract is conditioned upon approval by the OCR Director and/or Commissioner.

No authority exists for payments which exceed the approved maximum contract amount except through written amendment prior to expiration date of this contract.

a. Payment:

Payment to the Contractor for services rendered shall be made according to the following:

Add method of payment

Retainage will be withheld as outlined in Attachment 2, Schedule of Prices.

Add clauses/payment clauses here if required:

Matching Contributions

Travel Clause if travel is being paid separately

GIS Language

b. Payment Procedure:

The procedure for payment shall follow the procedures described in Attachment 1, Scope of Services in the steps listed below:

- (1) The Contractor shall submit an original and one (1) copy of an invoice [enter here how often or when Contractor should invoice examples: *quarterly/monthly* for work performed during the preceding *quarter/month*, within ten (10) working days of the end of that *quarter/month*, upon completion of each task, upon completion of each work order.] [Optional language for Non-Source contracts. Check Monitoring Report Schedule to match: *monthly/quarterly* for work performed during the preceding *month/quarter*, based upon percent completion of each task. Invoices are due by the 30th of the following month.] However, for any services completed by June 30th, the Contractor shall submit the invoice to the Department by July 10th.

- (2) The Contractor shall submit the invoice to:

Louisiana Department of Environmental Quality
Financial Services Division
Accounts Payable
P.O. Box 4303
Baton Rouge, LA 70821-4303

Each invoice must include:

- (a) the CFMS number;
 - (b) the name and address of the Contractor;
 - (c) the total amount requested; **and** (add if (e) is not required)
 - (d) the balance remaining in the contract; **and** (remove if (e) is not required)
 - (e) supporting documentation for hours billed (timesheets) and travel expenses (mileage reports and receipts). (Remove or change as needed).
- (3) The Contractor shall attach a copy of the Attachment 3, Form A Monitoring Report to all requests for payments.

Payments shall be made by the Department within approximately thirty (30) days after receipt of a correct invoice, receipt and acceptance of all related deliverables and submittals, and approval of the invoice for payment by the Department's Office of Choose an item./Division.

6. FISCAL FUNDING

The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

7. DELIVERABLES

The Contractor shall provide to the Department the deliverables as specified in Attachment 1, Scope of Services as products of the services rendered under this contract. The Department reserves the right to reject any deliverable that is unsatisfactory. The Contractor shall correct any omissions or errors and resubmit the deliverable.

8. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this contract, all data collected by the Contractor and all documents, notes, and files collected or prepared specifically in connection with this work, except the Contractor's personnel and administrative files, shall become and be the property of the Department and the Department shall not be restricted in any way whatever in its use of such material. In addition, at any time during the contract period, the Department shall have the right to require the Contractor to furnish copies of any or all data and all documents, notes and files collected or prepared by the Contractor specifically in connection with this contract within five (5) days of receipt of written notice issued by the Department.

9. CORRECTION OF DEFICIENT WORK

If required by the Department, prior to payment, the Contractor shall promptly, without cost to the Department, correct any deficient work performed by him or his subcontractors. Deficient work is defined as work that is (a) unsatisfactory, faulty, or defective, or (b) does not conform to the requirements of the contract documents. **[If with an agency or government entity remove the remaining sentences of this paragraph]** If the Contractor does not correct such deficient work within the time specified by the Department, the Department may have the deficiency corrected by a separate party. All direct and indirect costs for such correction shall be paid by the Contractor. If corrections made to deficient work interfere with any other Department work by other parties, the Contractor shall also bear the expenses caused by that interference.

10. INDEMNIFICATION

The Contractor shall indemnify and save harmless the Department against any and all claims, demands, suits and judgments of sums of money to any party for loss of life or injury or damage to person or property growing out of, resulting from, or by reason of, any negligent act or omission, operation or work of the Contractor, its agents, servants, or employees while engaged upon or in connection with the services required or performed by the Contractor hereunder.

11. NONASSIGNABILITY

The Contractor shall not assign any interest in this contract by assignment transfer, or novation, without the prior written consent of the Department. This provision shall not be construed to prohibit the contractor from assigning his bank, trust company or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment of transfer shall be furnished promptly to the Department.

12. AUDIT OF RECORDS

The State, through the Legislative Auditor, and/or the Office of the Governor, Division of Administration, the Department's Audit Services, [Grant funded, insert: U.S. Environmental Protection Agency] or any of their duly authorized representatives, shall be entitled to audit the books, documents, papers, and records of the Contractor and any subcontractors which are reasonably related to this contract.

13. RECORDS RETENTION

The Contractor and its subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred and shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from date of final payment under this contract, for inspection or audit, and copies thereof shall be furnished if requested.

14. TERMINATION FOR CAUSE

The Department may terminate this contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided that the Department shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the Department may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice.

The Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed. The Department shall be relieved of liability for costs for any undelivered work as of the effective date of termination. [Include if progress

payments are allowed: and shall be entitled to repayment for any progress payments made on undelivered work.]

Notwithstanding the above, the Contractor shall not be relieved of liability to the Department for damages sustained by the Department by virtue of any breach of the contract by the Contractor, and the Department may withhold any payments to the Contractor for the purpose of setoff until such time as the exact amount of damages due the Department from the Contractor is determined.

15. TERMINATION FOR CONVENIENCE

The Department may terminate the contract at any time by giving thirty (30) days written notice to the Contractor. If the contract is terminated by the Department, as provided herein, the Contractor shall promptly submit a statement showing in detail the actual services performed to date of termination. The Contractor shall then be paid the proportion of the total contract amount which bears the same ratio as the services completed bears to the total scope of services called for in this contract, less payments of compensation previously made for allowable costs, including non-cancelable commitments.

16. REMEDIES FOR DEFAULT

Any claim or controversy arising out of this contract shall be resolved by the provisions of LSA-R.S. 39:1524 through 1526.

17. ANTIDISCRIMINATION

The contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, [Grant funded, insert: EPA Title IV implementing regulations,] and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation or disabilities.

Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

18. COMPLIANCE WITH LAWS AND GRANT (REMOVE IF NOT FUNDED BY A GRANT)

The Contractor and its employees, subcontractors and agents shall comply with all applicable Federal, State and Local laws and ordinances, in carrying out the provisions of this contract.

The Contractor is hereby advised that U.S. Environmental Protection Agency Grant No. _____ is being used by the Department to partially fund this contract. The Contractor shall comply with the requirements of this grant. See Attachment 4. Continuation of this contract is contingent upon grant approval.

(If with an Interagency or Intergovernmental & funded by a grant, include below.)

This contract is a contract between governmental agencies and shall in no way be considered a grant or sub-grant of Federal and/or State monies.

19. FORCE MAJEURE

The Contractor or the Department shall be exempt from performance under the contract for any period that the Contractor or the Department is prevented from performing any services in whole or in part as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided the Contractor or the Department has prudently and promptly acted to make any and all corrective steps that the Contractor or the Department can promptly perform. Subject to this provision, such non-performance shall not be considered cause or grounds for termination of the contract.

Remove Clauses 20 – 21 if an Agency or Intergovernmental Entity

20. TAX RESPONSIBILITY

The Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this contract shall be the Contractor's obligation and shall be identified under the federal tax identification number as noted above.

21. CODE OF ETHICS FOR STATE EMPLOYEES

The Contractor is hereby advised that contractors may, in certain circumstances, be deemed "public employees" as interpreted by the Louisiana Board of Ethics. The Contractor shall be responsible for determining that there will be no conflict or violation of the Ethics Code. By signing this contract the company official certifies that there is no conflict or violation of the Louisiana Code of Ethics.

22. CONTRATOR'S INSURANCE

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

a. Minimum Scope and Limits of Insurance

(1) Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$500,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

(2) Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

(3) Automobile Liability

Automobile Liability Insurance shall have a minimum combined single limit per occurrence of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

b. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Department. The Contractor shall be responsible for all deductibles and self-insured retentions.

c. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

(1) General Liability and Automobile Liability Coverages

- (a) The Department, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable. The

coverage shall contain no special limitations on the scope of protection afforded to the Department.

- (b) The Contractor's insurance shall be primary as respects the Department, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by the Department shall be excess and non-contributory of the Contractor's insurance.
- (c) Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Department, its officers, agents, employees and volunteers.
- (d) The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

(2) Workers Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Department, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Department.

(3) All Coverages

- (a) Coverage shall not be canceled, suspended, or voided by either party (the Contractor or the insurer) or reduced in coverage or in limits except after 30 days written notice has been given to the Department. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- (b) Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- (c) The insurance companies issuing the policies shall have no recourse against the Department for payment of premiums or for assessments under any form of the policies.
- (d) Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Department, its officers, agents, employees and volunteers.

d. Acceptability of Insurers

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with a A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the contract.

e. Verification of Coverage

Contractor shall furnish the Department with Certificates of insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Department before work commences and upon any contract renewal thereafter. The Certificate Holder must be listed as follows:

State of Louisiana
Department of Environmental Quality
Financial Services Division
P.O. Box 4303
Baton Rouge, LA 70821-4303
Attn: Contract/CFMS #

In addition to the Certificates, Contractor should submit the declarations page and the cancellation provision endorsement for each insurance policy. The Department reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Department, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

f. Renewal of Insurance

In the event that the Contractor provides certificates of insurance valid for a period of time less than the term of the contract, said certificates shall be acceptable, however, the Contractor shall be obligated to renew its insurance policies such that continuous coverage is provided for the entire contract term. The Contractor shall provide the Department with valid certificates of renewal of the insurance upon the expiration of the policies. In the event the Contractor fails

or refuses to renew any of its insurance policies to the extent required by this contract, or any policy is canceled, terminated, or modified so that the insurance does not meet the requirements of this contract, and the Contractor does not otherwise satisfy the liability guarantees required by this contract, the Department may refuse to make payment of any further monies due or coming due under this or other agreements between the Contractor and the Department. The Department, in its sole discretion, may use monies retained under this paragraph to renew the Contractor's insurance for the periods and amounts referred to above. During any period when any required insurance is not in effect, and the Contractor does not otherwise satisfy the liability guarantees required by this contract, the Department, at its option, may either suspend work under this contract, or proceed to default the Contractor and thereby terminate this contract.

g. Subcontractors

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Department reserves the right to request copies of subcontractor's Certificates at any time.

h. Workers Compensation Indemnity

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

i. Disclaimer

The Contractor expressly understands and agrees that any insurance protection or other liability guarantees required or requested by this contract shall in no way limit the Contractor's obligations assumed in the contract, and shall not be construed to relieve the Contractor from liability in excess of such coverage or guarantees, nor shall it preclude the Department from taking such other actions as are available to it under any provision of this contract or otherwise in law.

23. AMENDMENTS

All changes to the contract price or term shall require amendment to the contract. No amendment shall be effective unless it is in writing, signed by duly authorized representatives of both parties, and approved by the **Division of Administration, Office of Contractual Review**. Verbal directives from any employee of the Department shall carry no authority, and shall not entitle the Contractor to any compensation for any corresponding effort.

THE DEPARTMENT AND THE CONTRACTOR REPRESENT THAT THIS CONTRACT SUPERSEDES ALL PROPOSALS, ORAL AND WRITTEN, ALL PREVIOUS CONTRACTS, AGREEMENTS, NEGOTIATIONS AND ALL OTHER COMMUNICATIONS BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

WITNESSES:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Vince Sagnibene
Undersecretary
Office of Management and Finance

Choose an item.
Choose an item. Secretary
Office of Choose an item.

CONTRACTOR

Company Name